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✓ Latest release

Underemployed workers

Employed people who want to work more hours or worked reduced hours, including preferred hours and usual hours not worked, and underemployment ratios.

Reference period May 2023

Released 30/06/2023

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Key statistics

In February 2023:

- 792,200 part-time workers were underemployed - (preferred and were available to work more hours, representing 19.4% of all part-time workers).
- About half of the underemployed part-time workers preferred to work full-time hours (44.5%).
- Half of the underemployed part-time workers preferred an extra 10 hours or less

(median extra hours preferred).

- 37.3% of underemployed part-time workers spent a year or more working in a job with insufficient hours.

This Underemployed workers release is divided into two parts. The first part is based on part-time underemployed workers from the February 2023 [Participation, Job Search and Mobility \(/statistics/labour/employment-and-unemployment/participation-job-search-and-mobility-australia/latest-release\)](#) survey.

Other data collected from the Participation, Job Search and Mobility survey are published in:

- [Job mobility \(/statistics/labour/jobs/job-mobility/latest-release\)](#)
- [Potential workers \(/statistics/labour/employment-and-unemployment/potential-workers/latest-release\)](#)

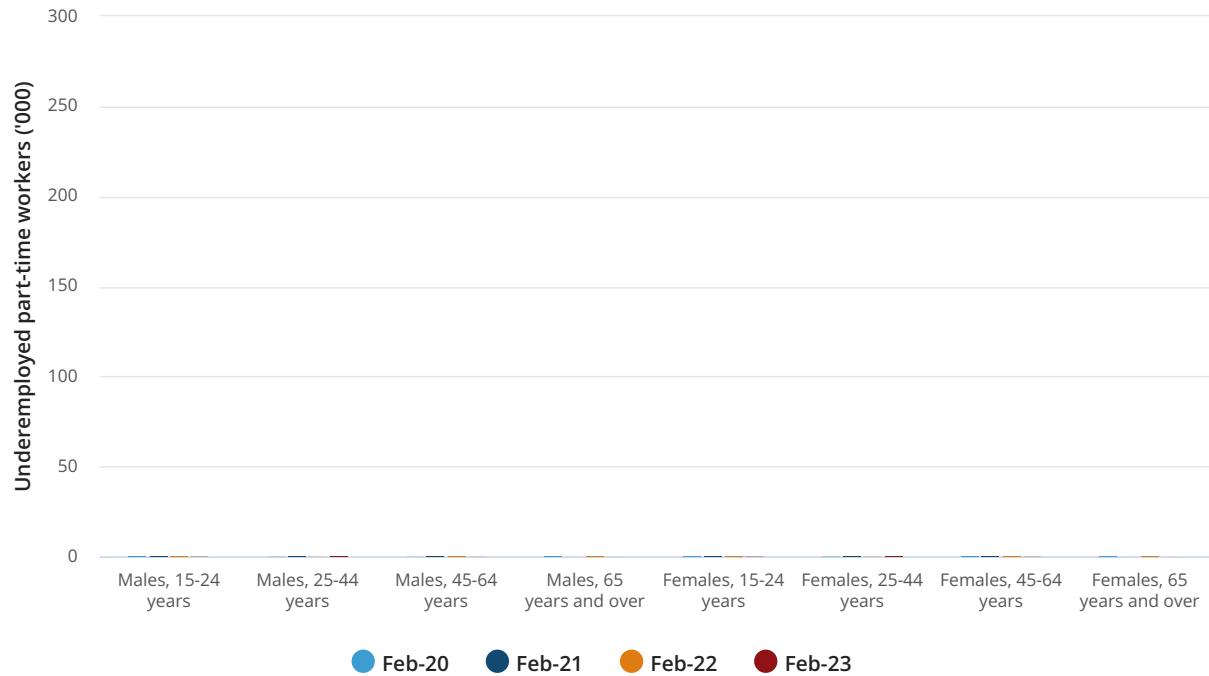
The second part is based on the analytical series of underemployed workers from the May 2023 Labour Force survey. This analytical series is based on an expanded scope for the definition of underemployed beyond the standard headline measure, similar to the data published in Tables 24 and 25 of the [monthly Labour Force release \(/statistics/labour/employment-and-unemployment/labour-force-australia/latest-release#data-download\)](#).

Part-time workers - February 2023

In February 2023, there were 792,200 underemployed part-time workers who preferred to work more hours (19.4% of all part-time workers). This was a fall of 5,700 from 797,900 underemployed part-time workers in February last year (which was 19.6% of all part-time workers).

- Men increased by 7,000 from 319,400 in February 2022 to 326,400 in February 2023.
- Women fell by 12,700 from 478,500 in February 2022 to 465,800 in February 2023.

Chart 1: Underemployed part-time workers by age and sex

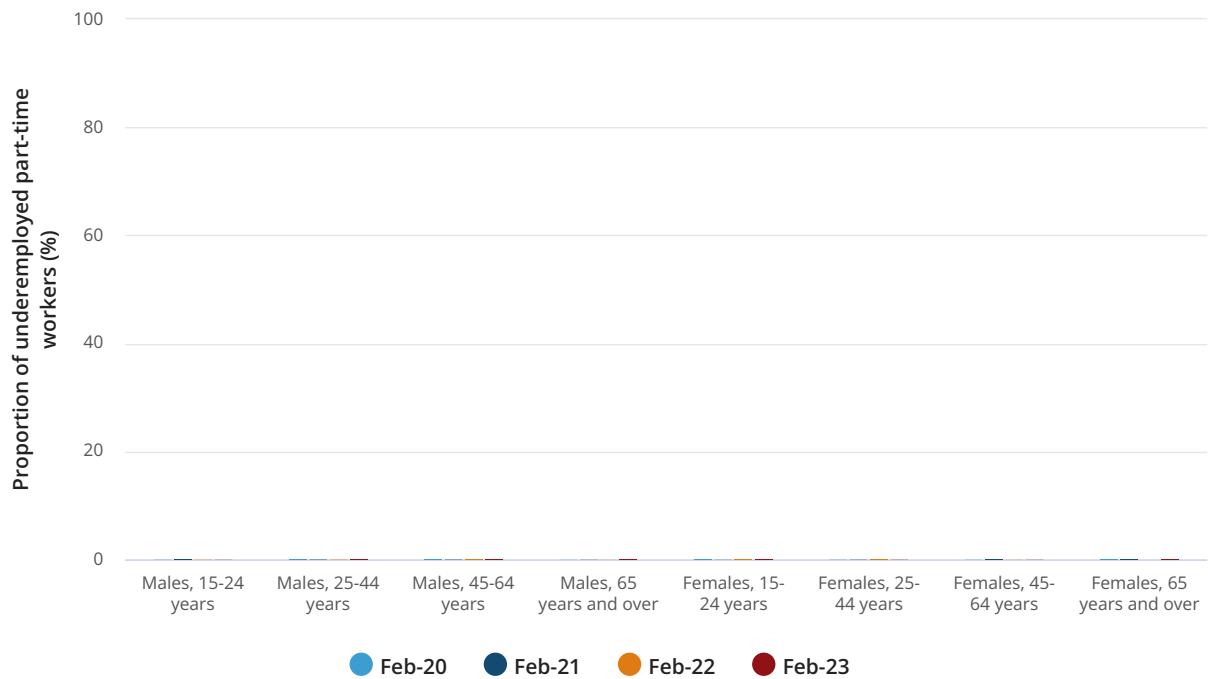


Extra hours preferred

In February 2023, about half of the underemployed part-time workers preferred to work full-time hours (44.5% or 352,800 underemployed part-time workers). The other half preferred to work more hours but remain working part-time (55.5%, or 439,400 underemployed part-time workers).

- Men aged 25-44 years were most likely to prefer to work full-time (73.8%).
- Women aged 65 years and over were least likely to prefer to work full-time (15.3%).

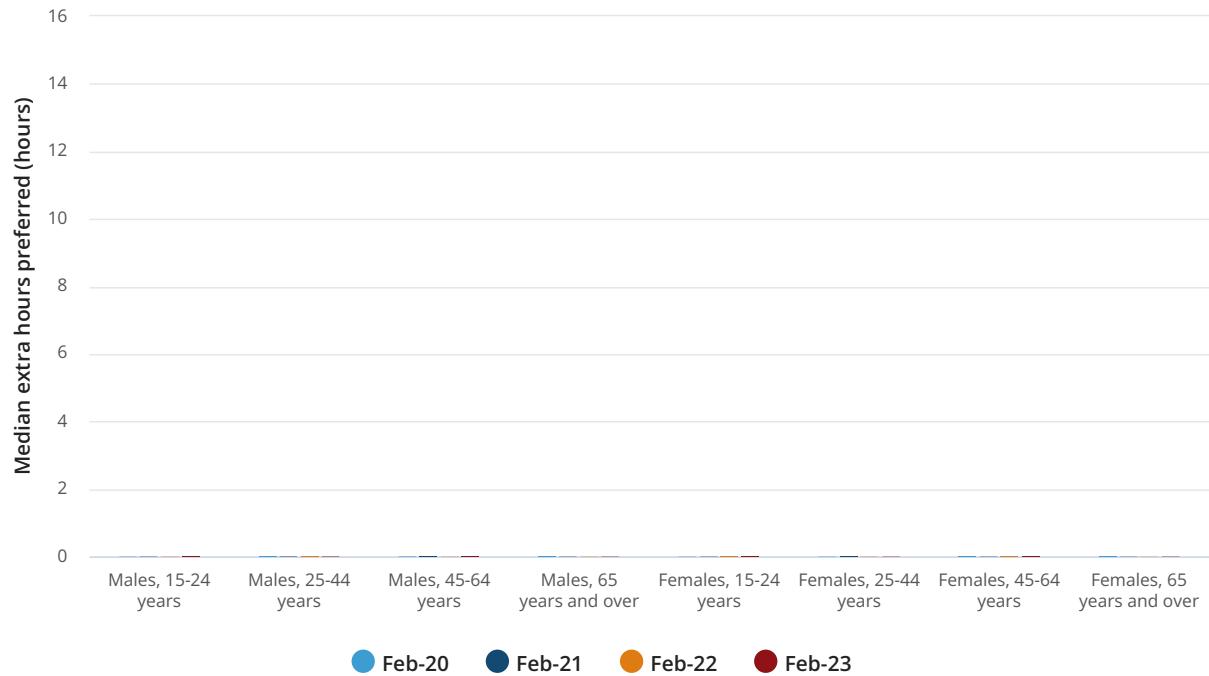
Chart 2: Underemployed part-time workers who would prefer to work full-time



In February 2023, half of the underemployed part-time workers preferred an extra 10 hours or less (median extra hours preferred).

- Men aged 25-44 years preferred the most amount of extra hours (median extra hours = 14 hours).

Chart 3: Median extra hours preferred by age and sex

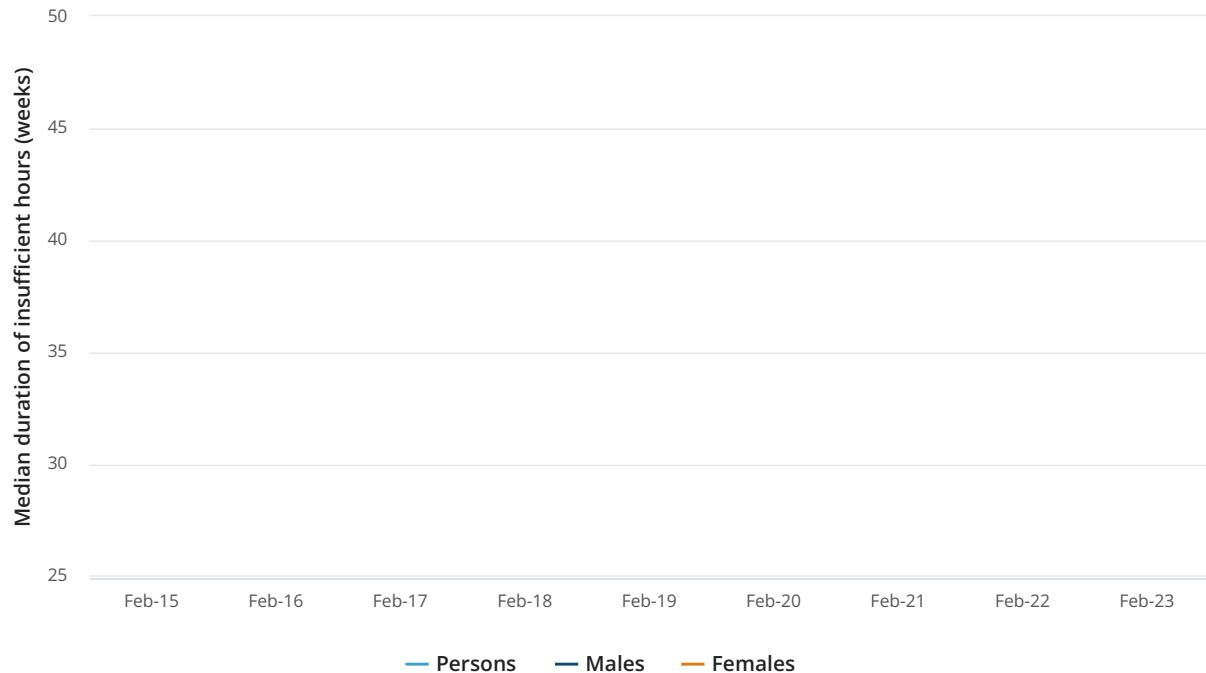


Duration of insufficient hours

In February 2023, 295,200 underemployed part-time workers spent a year or more working in a job with insufficient hours (37.3% of all underemployed part-time workers).

Half of all underemployed part-time workers worked with insufficient hours for 26 weeks or less (median duration of insufficient hours).

Chart 4: Median duration of insufficient hours, Feb-15 to Feb-23



Looking for more work or more hours

In February 2023, of the 792,200 underemployed part-time workers, just under half (47.1%) took active steps to look for additional hours. The top three active steps taken to look for more hours were:

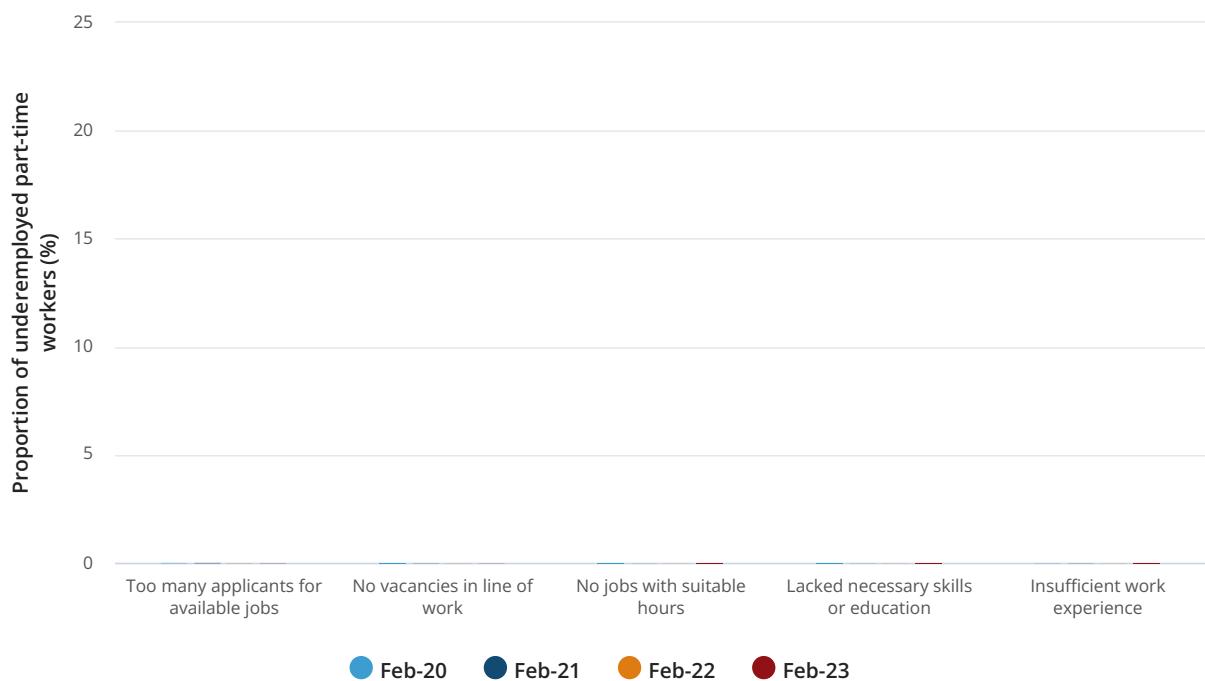
- Wrote, phoned or applied in person to an employer (30.4%).
- Asked current employer for more work (28.0%).
- Answered an ad for a job on the Internet, in a newspaper, etc. (25.9%).

For underemployed part-time workers who looked for work or more hours in February 2023, the top five difficulties in finding more work were:

- Too many applicants for available jobs - 10.2% (down from 12.2% in February 2022).
- No vacancies in line of work - 7.7% (down from 10.3% in February 2022).
- No jobs with suitable hours - 7.6% (up from 7.0% in February 2022).
- Lacked necessary skills or education - 7.5% (up from 7.3% in February 2022).
- Insufficient work experience - 7.0% (down from 7.7% in February 2022).

The category 'Other difficulties,' which includes multiple reasons not elsewhere classified, was also high in February 2023 - 17.3%, up from 14.7% in February 2022.

Chart 5: Main difficulty in finding more work



If a suitable job had been offered, 11.8% were prepared to move interstate, and 15.6% were prepared to move within their state or territory.

Just over half of underemployed part-time workers (53.6%) preferred not to change employers in order to work more hours.

Underemployed - May 2023

Comparison with underemployment measures in Labour Force, Australia

The following analysis explores underemployment using an expanded scope and is

additional to the measures found in [Labour Force, Australia \(/statistics/labour/employment-and-unemployment/labour-force-australia/latest-release\)](#); [Labour Force, Australia, Detailed \(/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release\)](#) publications and data published from the [Participation, Job Search and Mobility \(/statistics/labour/employment-and-unemployment/participation-job-search-and-mobility-australia/latest-release\)](#) Survey.

It includes all people indicating:

- they had their hours reduced (e.g. they were stood down or their employer had insufficient work for them); or
- they had a preference to work more hours than they usually work.

In contrast, the headline underemployment estimates published in Labour Force, Australia, which are based on long-standing international standards, include two groups: part-time employed who would prefer, and are available for, more hours than they usually work, plus full-time employed who worked part-time hours for economic reasons.

The ABS recommends using the data below as a supplementary analytical series for understanding the underemployed population.

Employed people can be underemployed either because:

- they worked less than their usual hours for economic reasons (i.e. due to being 'stood down, or there was insufficient or no work available - Hours reduced (sometimes referred to as the 'Cyclical underemployed').
- they would prefer (and are available) to work more hours than they usually work - Prefers more hours (sometimes referred to as the 'Structural underemployed').

Of the 14.1 million employed people in May 2023, 1,594,400 were underemployed. Of these:

- 296,900 people had their hours reduced - 116,200 were employed full-time and 180,800 employed part-time.
- 1,424,800 people preferred more hours - 585,200 were employed full-time and 839,600 employed part-time.

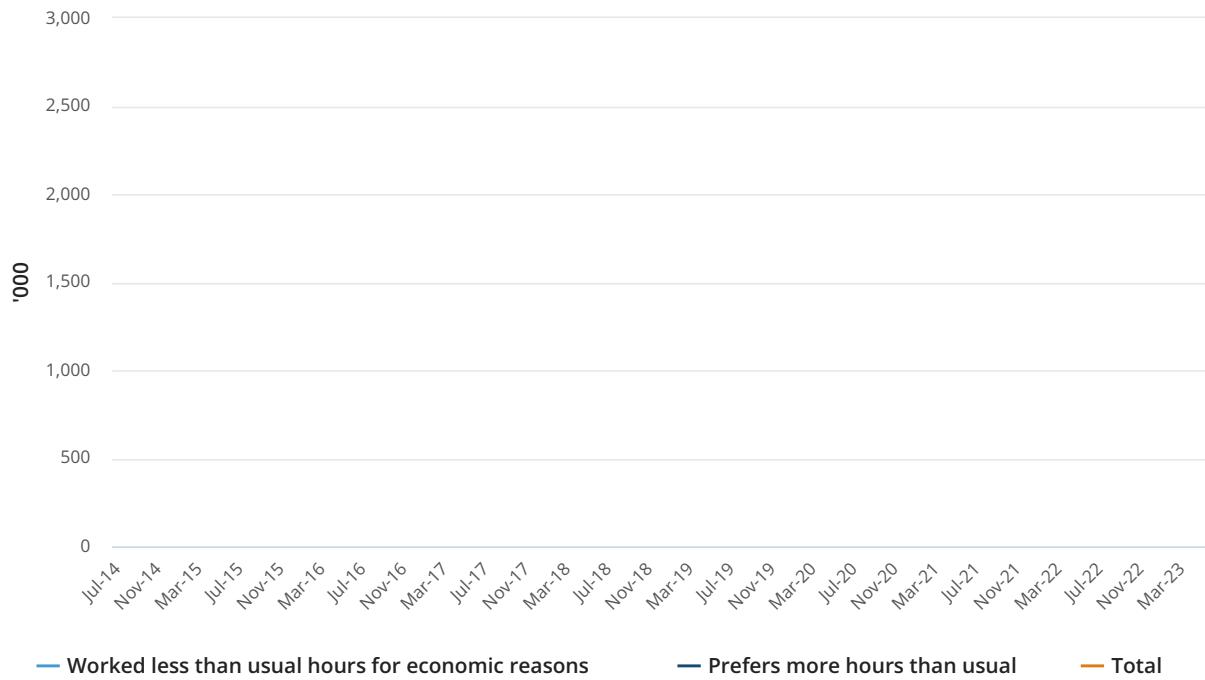
There were 127,400 people who were in both categories - they had their hours reduced to less than usual and also preferred to work more than usual hours.

Diagram 1: Expanded scope of underemployment



► Description

Chart 6: Underemployed workers, Original



Note: There are people who preferred more hours and also had their hours reduced, that is, they worked less hours than usual, and also prefer to work more than their usual hours - so the sum of the people who preferred more hours and people who had their hours reduced does not equal the total underemployed.

While Chart 6 shows a 'headcount measure' of underemployment (the number of people who are underemployed) an alternative way to look at underemployment is through a 'volume measure' of underemployment - the number of 'hours not worked' by underemployed people.

Chart 7 shows the weekly hours not worked of underemployed people. The weekly hours not worked are:

- the number of additional hours they would prefer, and are available, to work (preferred more hours).
- the difference between usual hours and the hours actually worked in the reference week

(hours reduced).

In May 2023, there were a total of 18.2 million hours not worked. Of these:

- 15.3 million hours were not worked by people who preferred more hours - i.e. the additional hours preferred.
- 2.9 million hours were not worked by people who had their hours reduced - i.e. the usual hours not worked for economic reasons.

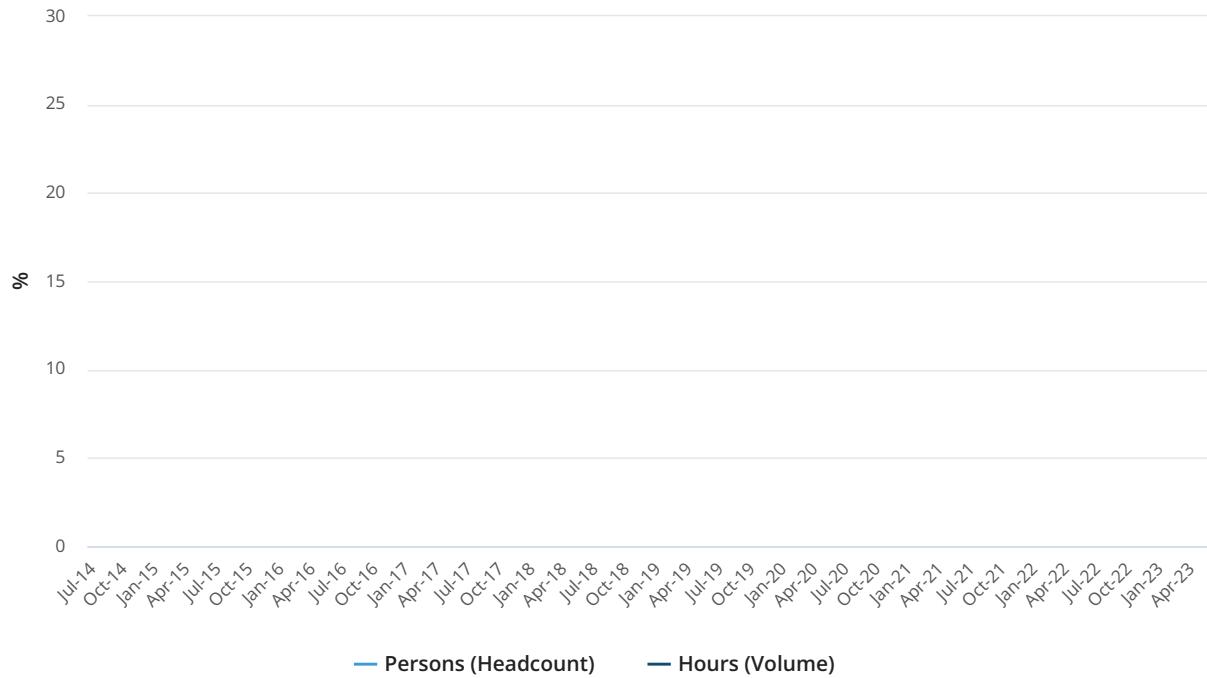
Chart 7: Weekly hours not worked, Underemployed workers, Original



Hours not worked by people who had their hours reduced is the difference between their usual hours and the hours actually worked in the reference week, and the hours not worked by people who preferred more hours is the additional hours preferred.

In May 2023, the headcount underemployment ratio was 11.3% while the hours-based underemployment ratio was considerably lower at 3.5%.

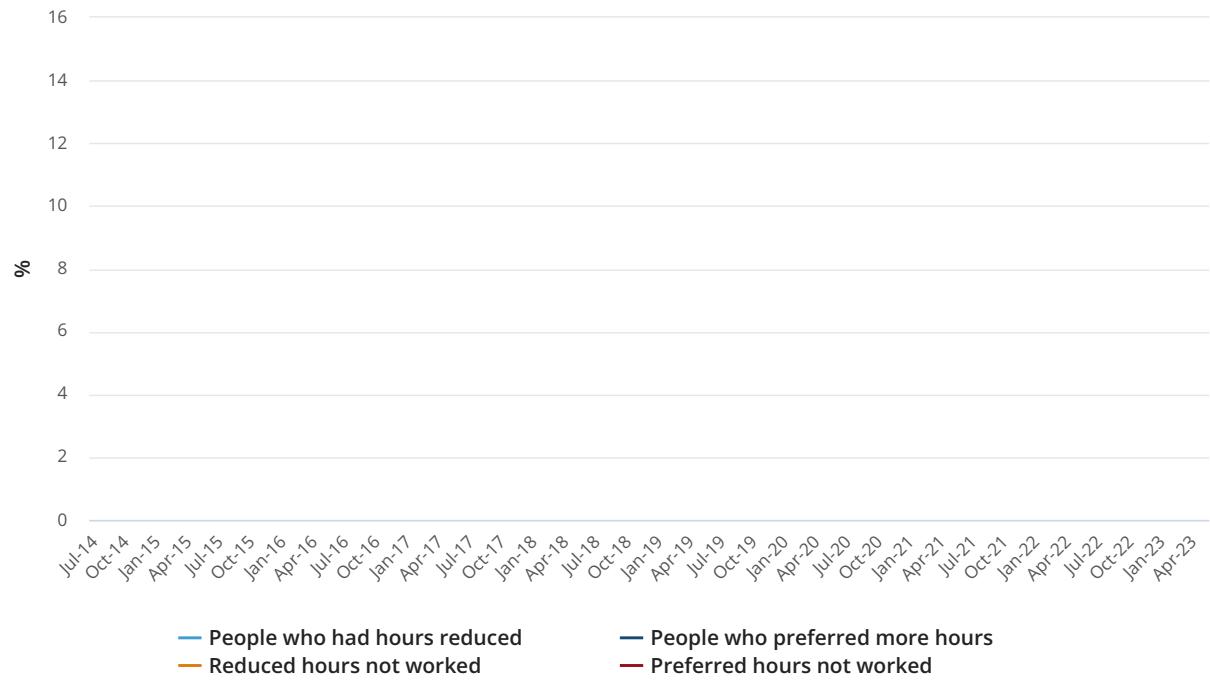
Chart 8: Underemployment ratio, Headcounts and Hours, Original



The headcount underemployment ratio is the number of underemployed as a proportion of all employed. The hours-based underemployment ratio is the hours not worked as a proportion of the potential hours of employed people (i.e. the hours usually worked of all employed plus the additional hours preferred of the structurally underemployed).

Hours-based measures of underemployment are generally lower than headcount measures, as the hours-based measures account for the extent of a person's underemployment whereas a headcount measure counts all underemployed people the same.

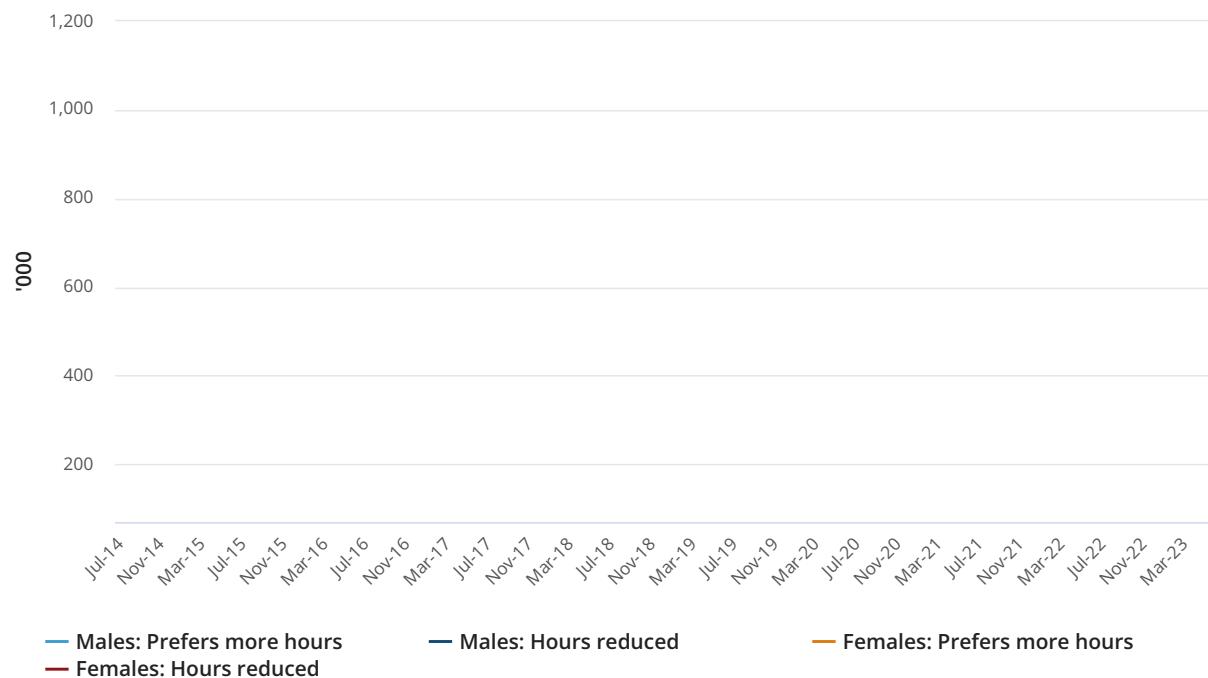
Chart 9: Underemployment ratio, Original



The headcount underemployment ratio is the number of underemployed as a proportion of all employed. The hours-based underemployment ratio is the hours not worked as a proportion of the potential hours of employed people (i.e. the hours usually worked of all employed plus the additional hours preferred by the structurally underemployed).

Sex and Age

Chart 10: Underemployed workers, by Sex, Original



Note: There are people who preferred more hours and also had their hours reduced, that is, they worked less hours than usual, and also prefer to work more than their usual hours - so the sum of the people who preferred more hours and the people who had their hours reduced does not equal the total underemployed.

In May 2023, 11.3% of all employed people were underemployed (the underemployment ratio). Since July 2014 (the first month this expanded data are available for), employed women have generally been slightly more likely to be underemployed than men. However, since the start of the COVID-19 pandemic the underemployment ratio has generally been higher for men.

Chart 11: Underemployment ratio, by Sex, Original

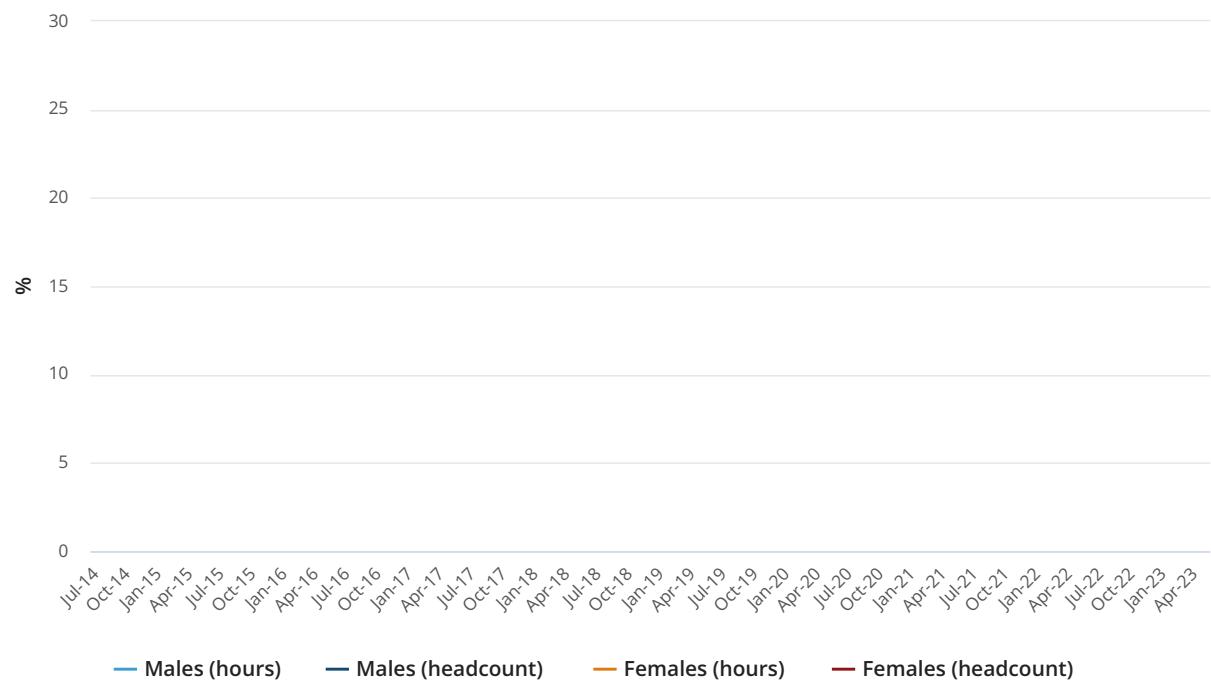
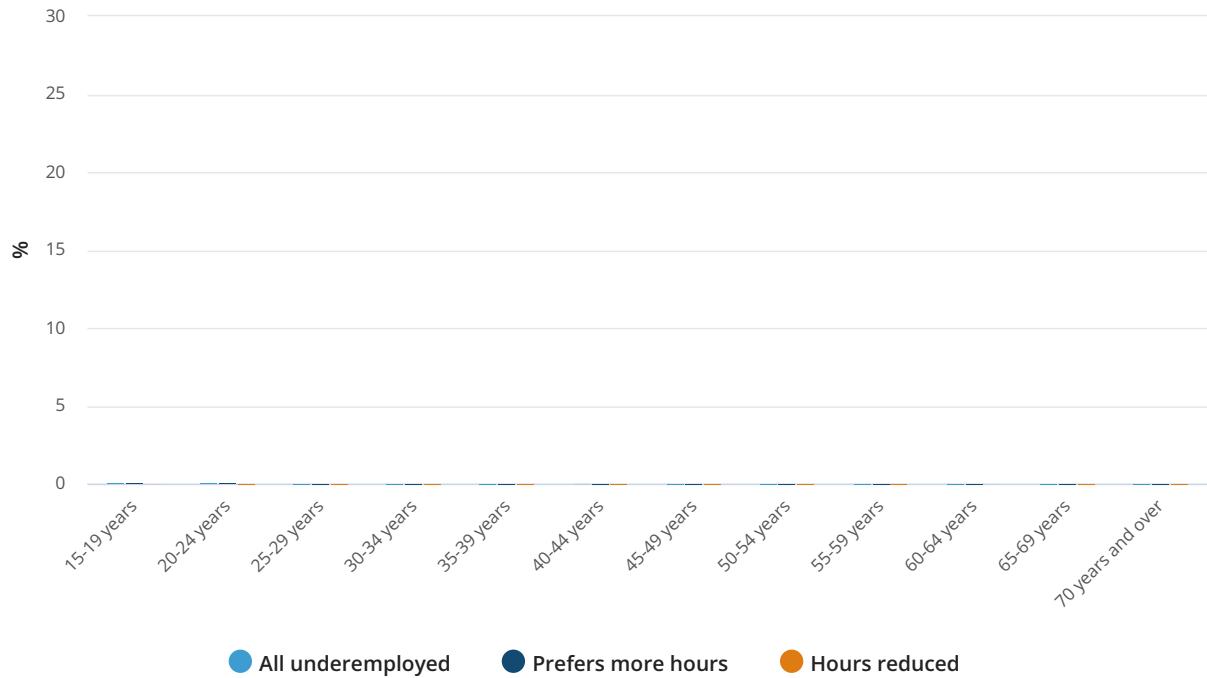


Chart 12: Underemployment ratio, By Age, May 2023, Original



Note: There are people who preferred more hours and also had their hours reduced, that is, they worked less hours than usual, and also prefer to work more than their usual hours - so the sum of the people who preferred more hours and the people who had their hours reduced ratio does not equal the total underemployment ratio.

Full-time / part-time status

Chart 13 shows the number of part-time and full-time employed people who are cyclically or structurally underemployed. In May 2023, there were 670,300 underemployed full-time workers and 924,100 underemployed part-time workers.

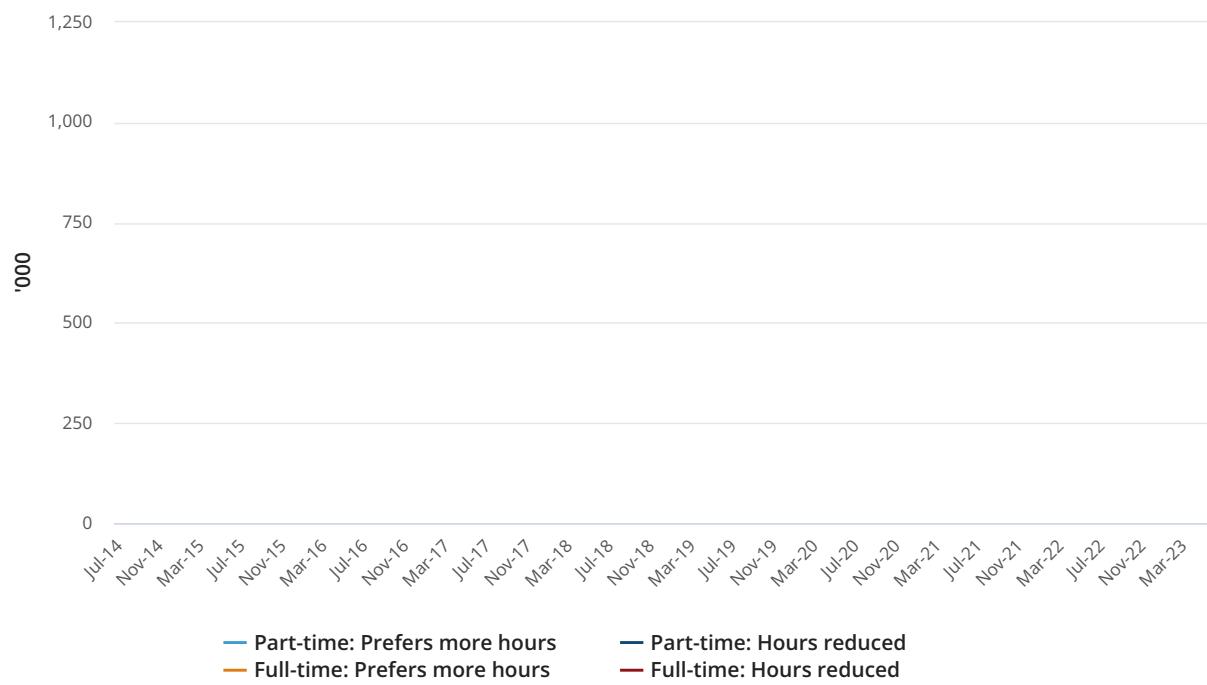
Of the underemployed full-time workers:

- 116,200 had their hours reduced.
- 585,200 preferred more hours.

Amongst underemployed part-time workers:

- 180,800 had their hours reduced.
- 839,600 preferred more hours.

Chart 13: Underemployed workers, by Full-time and part-time status, Original



Note: There are people who preferred more hours and also had their hours reduced, that is, they worked less hours than usual, and also prefer to work more than their usual hours - so the sum of the people who preferred more hours and the people who had their hours reduced does not equal the total underemployed.

Chart 14: Full-time and part-time underemployment ratio, by Sex, Original

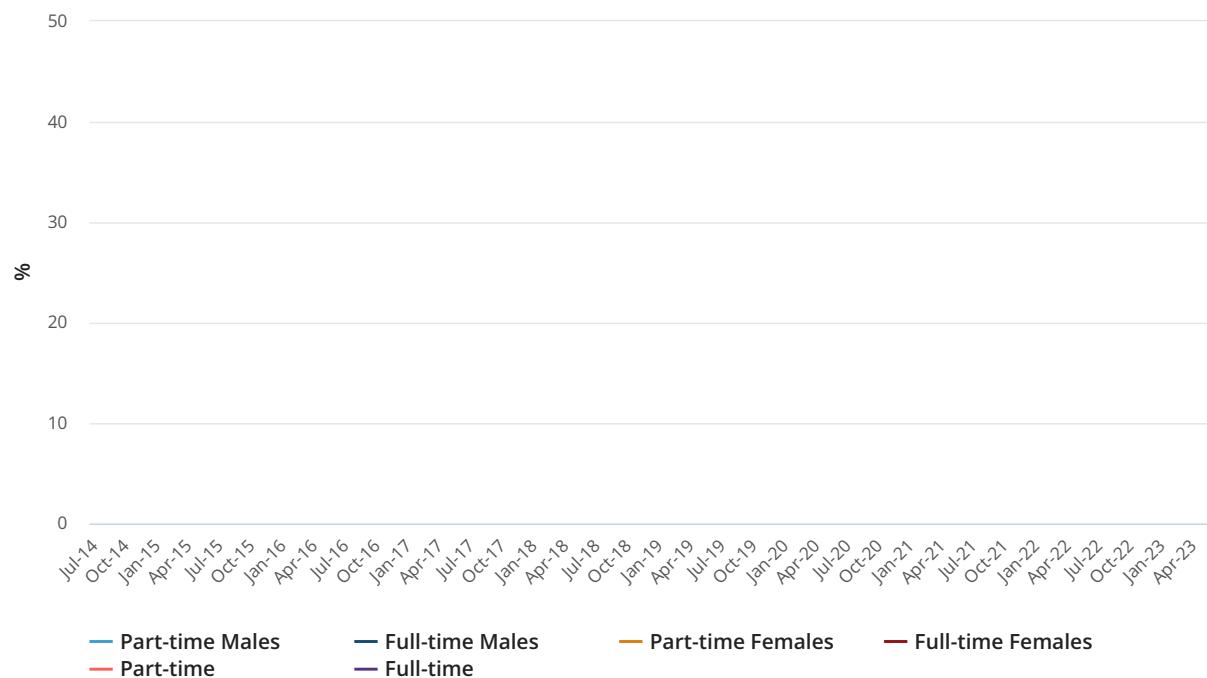
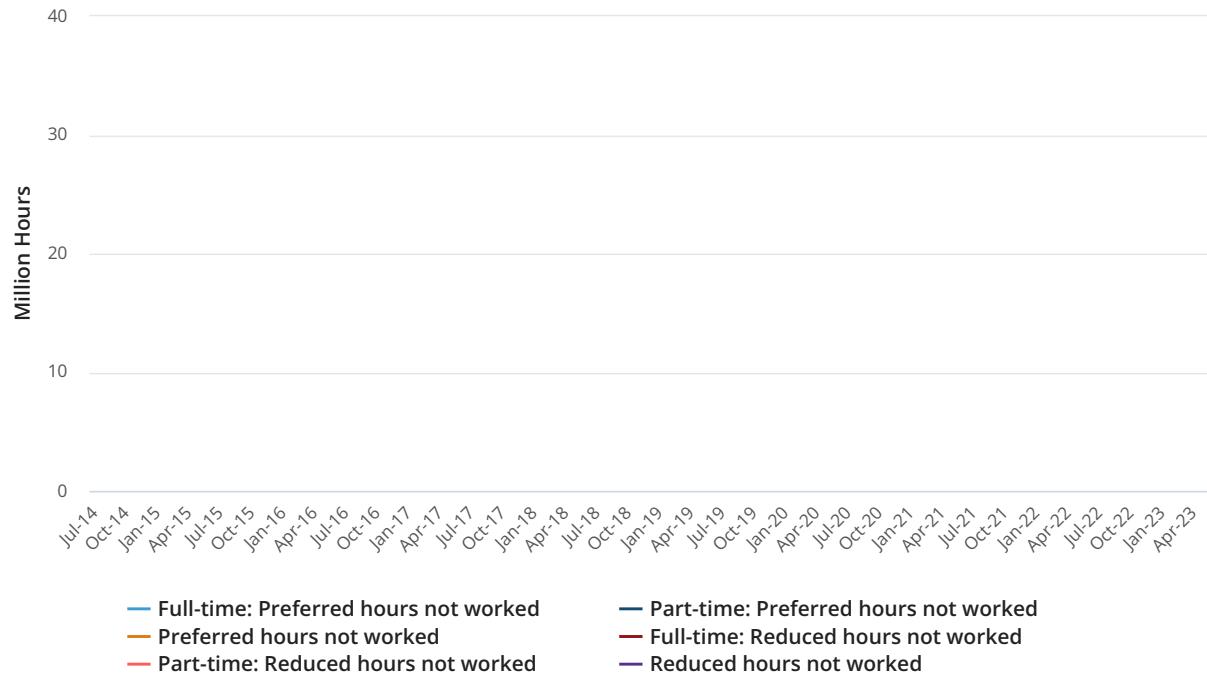


Chart 15: Weekly hours not worked, Underemployed workers, Original



Hours not worked by people who had their hours reduced is the difference between usual hours and the hours worked in the reference week, and the hours not worked by people who preferred more hours is the additional hours preferred.

Preferred hours

People who were underemployed in May 2023 because they preferred to work more hours than their usual hours, on average:

- usually worked 27 hours a week.
- would have preferred to work an additional 11 hours a week.

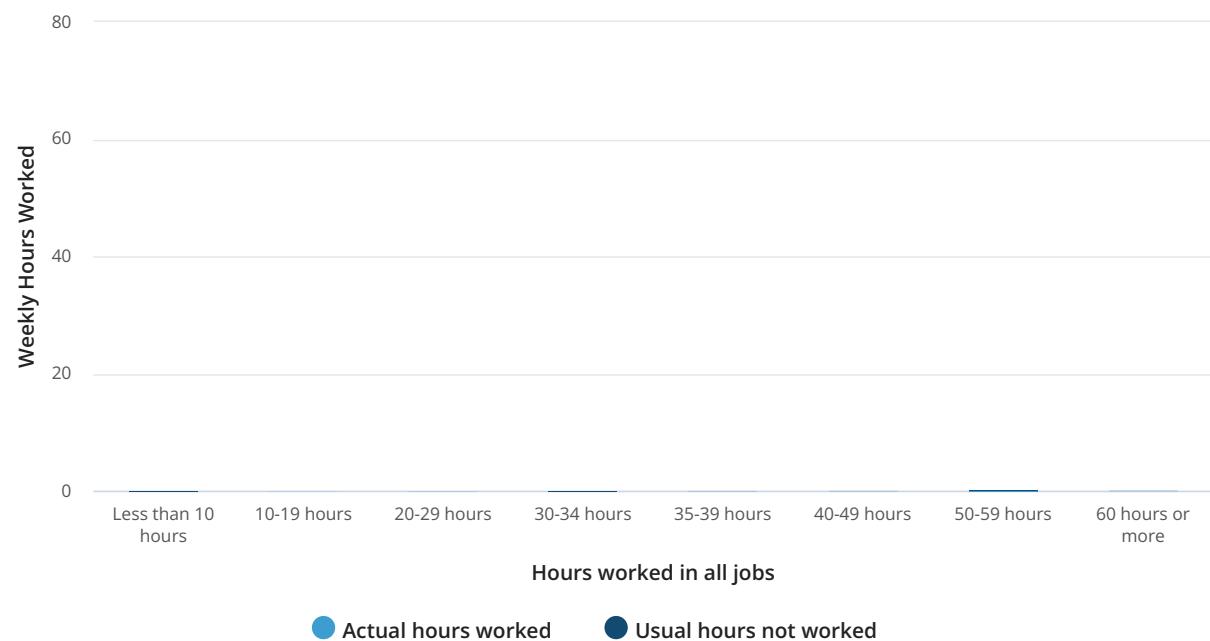
People who were underemployed in May 2023 because they had their hours reduced for economic reasons, on average:

- actually worked 19 hours a week.
- would have worked an additional 10 hours a week.

Chart 16: Prefers more hours, Average hours worked and additional hours preferred, May 2023, Original

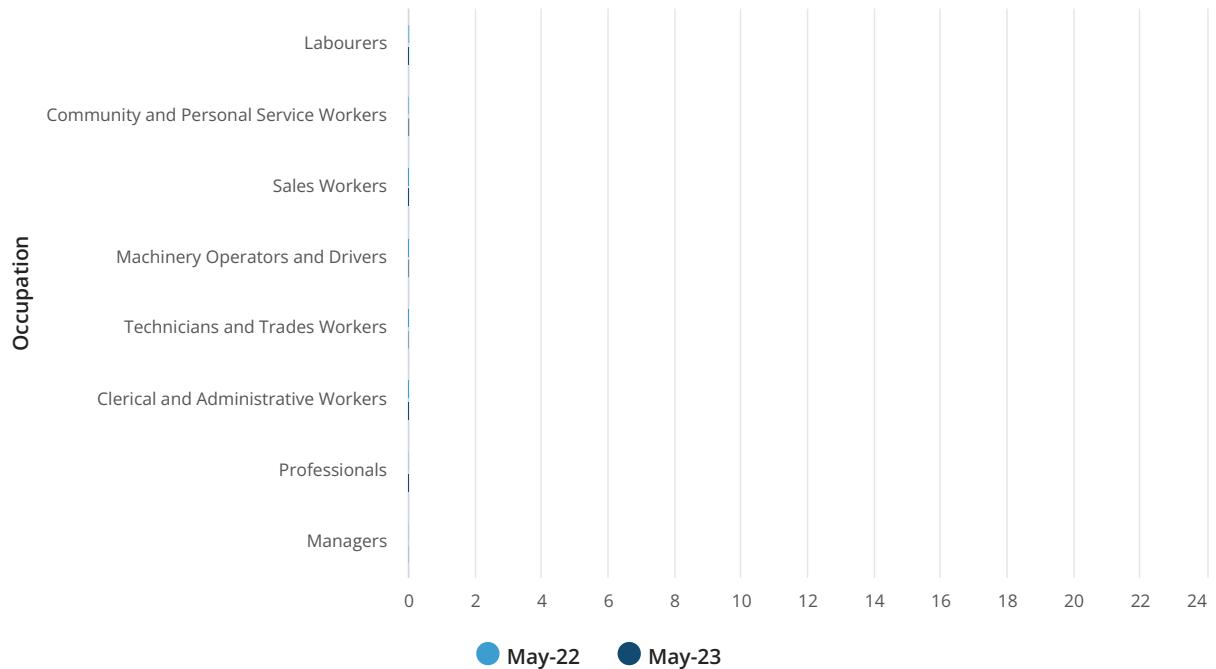


Chart 17: Hours reduced, Average hours worked and hours not worked, by Usual hours, May 2023, Original



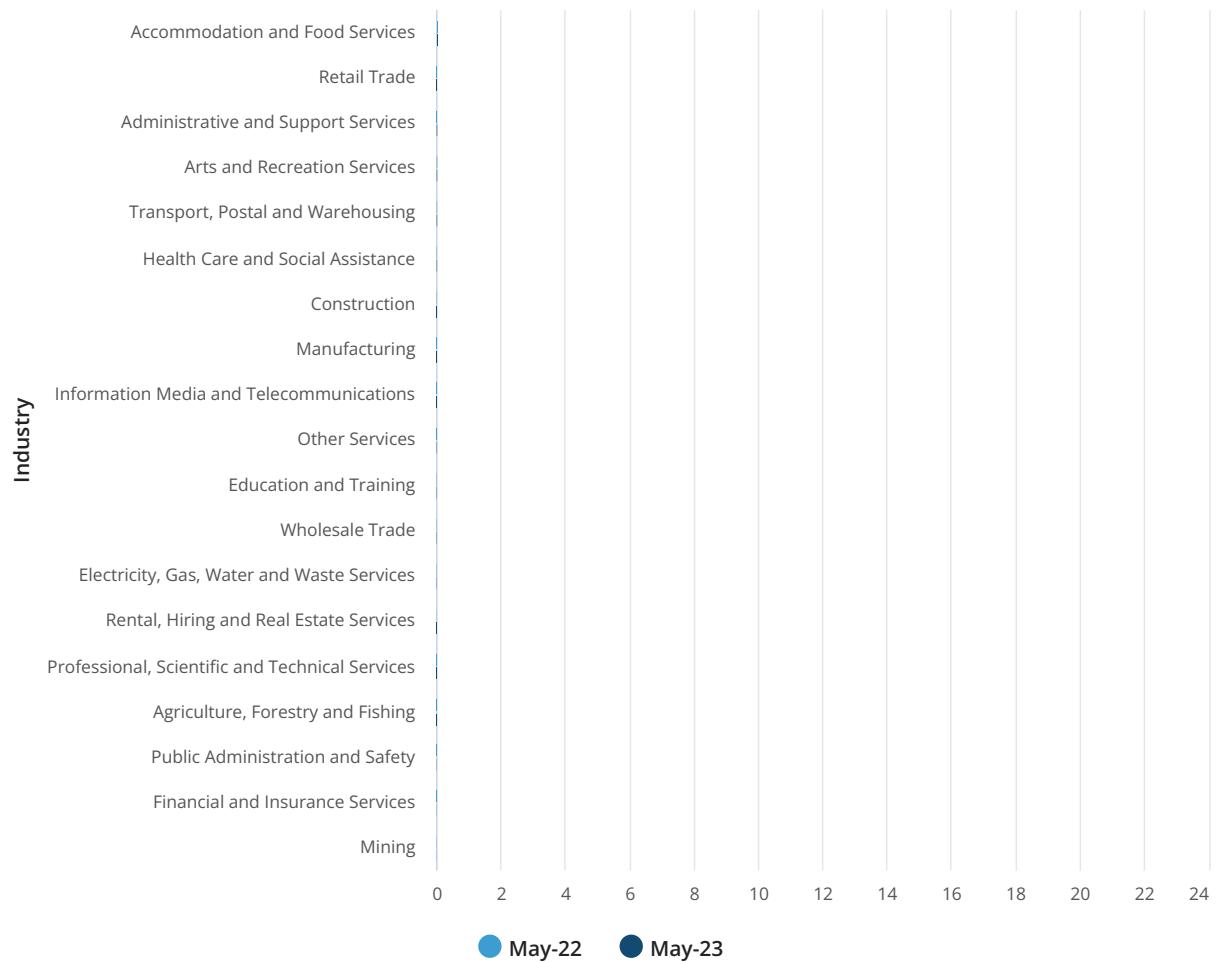
Occupation

Chart 18: Underemployment ratio, by Occupation, May 2023, Original



Industry

Chart 19: Underemployment ratio, by Industry, May 2023, Original



Extended underutilisation

Definitions

The extended measures of underutilisation offer an alternative view of the labour market to the official labour force status used in the monthly Labour Force release. Certain criteria of the official measures are relaxed to include more potential underutilised labour, as follows:

Extended Underemployment

As already mentioned above, the extended measure of Underemployment (also referred to as Expanded Underemployment) includes all people who:

- had their hours reduced (e.g. they were stood down or their employer had insufficient work for them); or
- had a preference to work more hours than they usually work.

In contrast, the headline underemployment estimates include two groups: part-time employed who would prefer, and are available for, more hours than they usually work, plus full-time employed who worked part-time hours for economic reasons.

Extended Unemployment

The extended measure of unemployment includes:

- People who were actively looking for work and were available to start within four weeks.
- People who were waiting to start or return to work already obtained, and were available to start within four weeks.
- People who were wanting and available to work within four weeks, but were not actively looking because they were discouraged job seekers.

In contrast, the official measures of unemployment only include people who were available to start work in the week before interview (the reference week) and does not include discouraged job seekers.

Extended Underutilisation

The extended measure of underutilisation is the sum of the extended measure of underemployment and the extended measure of unemployment.

Extended Labour Force

The extended measure of the size of the labour force includes:

- All people employed in the week before interview.
- All people covered by the extended measure of unemployment (i.e. people available within four weeks or discouraged job seekers).
- All people who were away from work or waiting to start or return to a job, but were not classified as employed or in the extended measure of unemployment (i.e. people with job attachment, but not available to start within four weeks).

In contrast, the official measures of the labour force do not include those in the extended measure of unemployment or those with job attachment not classified as employed or unemployed.

Extended Underemployment rate

The extended underemployment rate is the extended underemployed as a proportion of the extended labour force.

Extended Unemployment rate

The extended unemployment rate is the extended unemployed as a proportion of the extended labour force.

Extended Underutilisation rate

The extended underutilisation rate is the extended underutilised as a proportion of the extended labour force.

Data downloads

Underemployment

[!\[\]\(160149d571be8bd3cba5ec8751b9d167_img.jpg\) Download all \(1.38 MB\)](#)

Table 1. Cyclical and structural underemployment of full-time and part-time workers

[!\[\]\(ddcf340df088b0c427bc303a4557fd6c_img.jpg\) Download XLSX](#)

[1.29 MB]

Table 2. Extended measures of underutilisation

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[211.49 KB]

New measures of underemployment

In the near future, the ABS will be introducing an expanded suite of underemployment measures. These new measures will replace some of the series published in Tables 1 and 2.

Part-time underemployment

[!\[\]\(be792788206b1d58bfa43ff4b9e191e5_img.jpg\) Download all \(5.13 MB\)](#)

Table 3. Underemployment status of full-time and part-time workers

[!\[\]\(a8817307f48b64bab6681f4bdcc7bb8a_img.jpg\) Download XLSX](#)

[214.03 KB]

Table 4. Part-time workers who prefer more hours

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[280.79 KB]

Table 5. Characteristics of part-time workers who prefer more hours

[!\[\]\(30dfa619cea8b8790c5e9066d4f2637a_img.jpg\) Download XLSX](#)

[995.54 KB]

Table 6. Duration of insufficient hours of underemployed part-time workers

[!\[\]\(92604bff2a286d454d073adc13337191_img.jpg\) Download XLSX](#)

[2.2 MB]

Table 7. Number of extra weekly hours preferred by underemployed part-time workers (updated 5 July 2023)

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[1.93 MB]

Table 8. Main difficulty in finding more work of underemployed part-time workers

[!\[\]\(212a2318a401861c7559cff43c43bd71_img.jpg\) Download XLSX](#)

[593.87 KB]

Relative standard errors, Tables 2 to 8

[!\[\]\(3e20e1de1ec46120aff11818eeebf90e_img.jpg\) Download ZIP](#)

[4.41 MB]

Post release changes

5 July 2023:

- References to "jobactive Australia" were replaced with "Workforce Australia" in the data item "All steps taken to find work or more hours in the last 12 months" in Table 7. There were no changes to the data, and the questions asked in the February 2023 survey were already updated to ask about engagement with Workforce Australia providers, not jobactive.

Previous catalogue number

This release uses ABS catalogue number 6229.0*.

Data from this release was previously published in:

- [Participation, Job Search and Mobility, Australia \(https://www.abs.gov.au/statistics/labour](https://www.abs.gov.au/statistics/labour)

[- \[Persons Not In the Labour Force, Underemployed Workers and Job Search Experience, Australia\]\(https://www.abs.gov.au/AUSSTATS/abs@.nsf/ProductsbyCatalogue/BBB46A2E9C441282CA257DF40079A913?OpenDocument\) \(<https://www.abs.gov.au/AUSSTATS/abs@.nsf/ProductsbyCatalogue/BBB46A2E9C441282CA257DF40079A913?OpenDocument>\) \(6226.0.55.001\), 2014
- \[Underemployed Workers, Australia\]\(https://www.abs.gov.au/AUSSTATS/abs@.nsf/second+level+view?ReadForm&prodno=6265.0&viewtitle=Underemployed%20Workers,%20Australia~September%202013~Latest~26/02/2014&&tabname=Past%20Future%20Issues&prodno=6265.0&issue=September%202013&num=&view=&\) \(<https://www.abs.gov.au/AUSSTATS/abs@.nsf/second+level+view?ReadForm&prodno=6265.0&viewtitle=Underemployed%20Workers,%20Australia~September%202013~Latest~26/02/2014&&tabname=Past%20Future%20Issues&prodno=6265.0&issue=September%202013&num=&view=&>\) \(6265.0\), 1985-2013
- \[Employment, Underemployment and Unemployment\]\(https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6246.01966-1983?OpenDocument\) \(<https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6246.01966-1983?OpenDocument>\) \(6246.0\), 1966-1983
- \[Unemployment, Underemployment and Related Statistics\]\(https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6236.0Feb%201978%20to%20Feb%201980?OpenDocument\) \(<https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6236.0Feb%201978%20to%20Feb%201980?OpenDocument>\) \(6236.0\), Feb 1978 to Feb 1980](https://www.abs.gov.au/AUSSTATS/abs@.nsf/ProductsbyCatalogue/employment-and-unemployment/participation-job-search-and-mobility-australia) (6226.0**), 2015-2020</p></div><div data-bbox=)

* Note: Catalogue number 6229.0 was previously used for [Survey of Persons Registered with the CES as Unemployed, Mar 1977](https://www.abs.gov.au/AUSSTATS/abs@.nsf/ProductsbyCatalogue/79B635A8D57DE773CA258568001276B6?OpenDocument) (<https://www.abs.gov.au/AUSSTATS/abs@.nsf/ProductsbyCatalogue/79B635A8D57DE773CA258568001276B6?OpenDocument>)..

** Note: Catalogue number 6226.0 was previously used for [School Leavers, 1970 to 1974: their Employment Status and Education Experience, May 1975](https://archive.org/details/62260-1975-05) (<https://archive.org/details/62260-1975-05>)..

Methodology

[Participation, Job Search and Mobility, Australia methodology, February 2023](https://www.abs.gov.au/AUSSTATS/abs@.nsf/ProductsbyCatalogue/employment-and-unemployment/participation-job-search-and-mobility-australia/methodology, February 2023)